

**THE KENT BRANCH OF THE CAMPAIGN TO PROTECT
RURAL ENGLAND**

(A COMPANY LIMITED BY GUARANTEE)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2017

THE KENT BRANCH OF THE CAMPAIGN TO PROTECT RURAL ENGLAND

LEGAL AND ADMINISTRATIVE INFORMATION

Patron	Countess Mountbatten of Burma CBE MSC CD DL (died 13 June 2017)
President	Graham Clarke
Vice Presidents	Amanda Cottrell OBE DL Tracey Crouch MP Rt Hon Damian Green MP Dr A W Holmes OBE BSc PhD Cchem FRSC FIFST (Appointed 18 November 2016) (died 3 June 2017) R E King (Appointed 18 November 2016) R A Knox-Johnston Helen Whately MP Sir Robert Worcester KBE DL
Trustees	R Bate P Blandon (Joint Vice Chairman) N C Britten BA Hons (Joint Vice Chairman) Mrs C E C Drury MA; PMD (Chairman) Dr A W Holmes OBE BSc CChem FRSC FIFST (Until 18 November 2016) R E King (Until 18 November 2016) Mrs V I Loseby (Appointed 18 November 2016) Dr H Moorby BSc (Hons) (Appointed 18 November 2016) M J Moore FCA (Treasurer) G Thomas MA Cantab, MICE, MIMechE D Wanstall Mrs C A Ware BA (Hons) Dip IM (Until 29 September 2016) G D Warren MSc DIC MICE FGS CGeol MIWEM J Wotton (Appointed 18 November 2016)
Company Secretary	M J Moore FCA
Branch Director	Dr H Newport BSc (Hons)
Charity number	1092012
Company number	4335730
Operational address & Registered office	Queen's Head House Ashford Road Charing Kent TN27 0AD
Auditors	MHA MacIntyre Hudson 71 New Dover Road Canterbury Kent CT1 1DZ
Bankers	CAF Bank Ltd 25 King's Hill Avenue King's Hill West Malling Kent ME19 4JQ
Investment Managers	Smith & Williamson Investment Management No. 1 Bishops Wharf Walnut Tree Close Guildford, Surrey GU1 4RA

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**TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2017**

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the Companies Act 2006, Financial Reporting Standard 102 (FRS 102) and the Statement of Recommended Practice (SORP 2015).

Constitution

The Kent branch of CPRE was founded in 1929. The company was incorporated on 6 December 2001 and became a registered charity on 14 May 2002. Activities within the company did not commence until 11 October 2002. The Kent Branch of the Campaign to Protect Rural England is a company limited by guarantee and is governed by a Memorandum and Articles of Association dated 6 December 2001. The company also operates under the name CPRE Kent.

Recruitment and appointment of Trustees

The Directors of the company are also Charity Trustees for the purpose of Charity Law, and under the company's Articles are known as Members of the Board. This committee includes *ex officio* the Chairman, Vice Chairmen and Treasurer of the charity who are elected annually at the AGM, together with up to five members who are also elected annually after prior nomination. Each of the twelve district committees and three of the specialist committees (Environment, Transport and Historic Buildings) may also nominate a member, in which case nomination must be made not less than 28 clear days prior to the AGM. The requirement for 28 days prior notice enables members voting at the AGM to have had time to evaluate the candidates.

There is also provision for three additional members to be co-opted by the Board during the year. No member may serve for more than five years continuously except the Chairman, Vice Chairman and Treasurer whose *ex officio* role may continue after previous service as members. Members are eligible to serve again after standing down for one year.

Trustees' training and induction

New Trustees are anticipated to be familiar with the practical work of the Charity. However, they will be expected to spend some time initially in the Charity's office familiarising themselves with the full range of managerial and administrative work that needs to be carried out. Trustees are also encouraged to attend the meetings of district and specialist committees outside their normal areas of experience to broaden their understanding of the wider activities of the Branch. Awareness of CPRE's wider and national activities is also available and is arranged by induction days at the national office and workshop events. Other training is arranged as needed.

Objectives and activities for public benefit

The objects for which the Charity is established are to promote and encourage for the benefit of the public the improvement and protection of the English countryside and, in particular, that of Kent and its towns and villages, and the better development of the rural environment.

The principal work of the Charity is to influence planning policy and planning decisions for the better protection of the countryside of Kent and beyond. We achieve this by monitoring and commenting on planning applications, local plans and emerging planning policy, and by engaging with decision makers and the public to raise awareness and grow membership and other support.

We provide advice and support to individuals and community organisations on planning policy and process, and specialist input on individual schemes where possible. We encourage participation in the planning process and provide media and campaigning support to those local campaigns that are aligned with our organisational priorities and policies.

**TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2017**

The Charity also works to inform decision makers and the public on the affects of climate change and exploitation of natural resources, particularly as they effect the Kent countryside, and the need for sustainability, the impact of people's actions and choices that can be made.

The trustees confirm that they have referred to the guidance contained at the Charity Commissioner's general guidance on public benefit when reviewing the charity's objectives.

Organisation Structure

The Charity employs a chief executive, known as the Branch Director, who is assisted by a Marketing and Office Manager, a Planner, a Senior Planner (part time) and a Communications and PR Manager (part time).

The post holders during this period were:

Jillian Barr – Planner
Paul Buckley – Senior Planner
Vicky Ellis – Office & Marketing Manager
Hilary Newport – Branch Director
Susannah Richter – Communications and PR Manager

The Charity is governed by a Board, supported by a structure of committees. Additional working groups are set up as and when required.

Achievements and performance**Campaigns****General planning**

The National Planning Policy Framework (NPPF) remains the key factor which underpins a great deal of our campaigning. The NPPF stipulates that:

- Local Planning Authorities (LPAs) must now demonstrate that they have specific deliverable sites sufficient to provide five years' worth of housing against their objectively assessed housing requirements, plus an additional buffer of 5%; this must be increased to a 20% buffer where there is a history of low delivery against previous targets.
- There is '*a presumption in favour of sustainable development*' which means that where a local plan is absent, silent or out of date planning permission should generally be granted.

Not all LPAs in Kent can demonstrate that their Local Plan is fully compliant with the NPPF, and as a result speculative applications for major developments on sites which have never been through a local plan-making process continue to come forward. The most notable of these has been in Dover, where the failure to demonstrate an adequate five-year housing land supply was cited as one of the reasons to grant permission for over 600 homes in the Kent Downs Area of Outstanding Natural Beauty near Farthingloe (and this despite the fact that this site had been previously assessed, and rejected as unsustainable, in the housing land allocations studies undertaken by Dover District Council). *See below under Major Campaigns for more detail on this ongoing case.*

Meanwhile our experience across the rest of the county is that where local plans exist, the recommended methodologies for determining 'objectively assessed need' are leading to local plans containing housing delivery targets which are unsustainably high. This compounds the problem of LPAs being unable to demonstrate the supply of enough land to meet those targets, and leads inevitably to unsustainable planning decisions.

TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2017

Local plans/National Policy

Responding to consultations on the various stages in the development of local plans across Kent and Medway remains a core part of our activity, along with consultations in many elements of national planning policy. Over the course of the year, district and specialist committee members have worked alongside staff to participate in the following plan document consultations and examinations:

National Consultations:	National Infrastructure Assessment: Process and Methodology; Managing Freight through Kent.
KCC:	Waste and Minerals Local Plan; Local Transport Plan; Thanet Parkway Railway Station proposals.
Ashford:	Consultation on the new draft Local Plan took place between June and August.
Canterbury:	Consultation on the Local Plan began in 2015, and stage 2 of its examination took place in June and September 2016. Consultations on the proposed modifications finished in March.
Dartford:	Examination hearings on the Development Policies Local Plan took place in October.
Maidstone:	Examination hearings on the publication draft of the plan were completed in January.
Medway:	Consultation on the Issues and Options draft of the plan took place between January and May 2017.
Shepway:	'Preferred Options' consultation took place in Autumn 2016.
Swale:	Local Plan Part 1 examinations hearings.
Thanet:	Consultation on the proposed revisions to the draft Local Plan closed in March 2017.
Tonbridge & Malling:	Local Plan preferred options consultation.

Major Commercial and Housing Developments

Ebbsfleet

We remain engaged in consultations with the Ebbsfleet Urban Development Corporation over the delivery of up to 15,000 new homes on brownfield land in North Kent Thameside. Also within the UDC's boundaries is the proposed London Paramount entertainment resort, with the potential for providing over 20,000 direct and indirect jobs. While we strongly support the principle of brownfield regeneration and the provision of high quality housing and employment opportunities, our concerns remain focused on the potential adverse impacts of over 50,000 visitors per annum in an area already suffering from congestion, poor air quality and water stress.

Otterpool

Meanwhile plans have emerged from Shepway District Council (SDC) for 'Otterpool Park', a 12,000-home Garden City to the south of the M20, with an area of search of 615 ha which includes 357 ha of farmland which was purchased by Shepway District Council in late 2015. In November the Government's 'Locally Led Garden Villages, Towns and Cities' programme awarded £750,000 to SDC to proceed with masterplanning. There is no objectively assessed need for housing on this scale in this area and villages around would be overwhelmed with congestion and urbanisation. Shepway should focus on brownfield sites.

Western Heights and Farthingloe

We covered progress on our challenge to the granting of planning permission for over 600 homes in the AONB at Western Heights and Farthingloe in last year's trustees' report. Although our Judicial Review challenge to this decision was heard at the High Court (in December 2015), our grounds for challenge were at that point dismissed. However, we were granted leave to take the case to the Court of Appeal and in September an Appeal Court Judgement was handed down which quashed the planning permission. The challenge is still not resolved, however, as Dover District Council has been granted leave to take the case to the Supreme Court in late 2017 in the hope of having permission reinstated. We continue to fight this unprecedented challenge to the AONB.

Pond Farm, Newington

CPRE Kent participated in an inquiry for an appeal against refusal of planning permission for a major housing development on the A2 in Swale, close to areas already suffering unacceptable air pollution, principally due to the congestion of traffic concentrating on unsuitably narrow stretches of highway in built-up areas along the A2. We were pleased that the appeal was dismissed, with the Inspector's report citing the adverse effects on air quality in other places along the A2 as a major reason for dismissal.

**TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2017**

Major Infrastructure**Lower Thames Crossing**

In February the SoS for Transport announced that the preferred location for a new Lower Thames Crossing would be the site east of Gravesend. We maintain our position that more sustainable transport policies would enable better use of existing or alternative transport networks, rather than simply encouraging the growth of road-based traffic. However, our principal concern with this announcement is Highways England's acknowledgement (in its earlier consultation documents) that this option would not deliver the stated objective of a third crossing: namely, to eliminate the problems of congestion and air pollution at Dartford. On opening, the Gravesend option would divert only 14% of Dartford's traffic; it would however, open up new routes to generate new journeys in an area already badly affected by over reliance on road based traffic.

Operation Stack/Lorry parking

The summer of 2015 saw the worst-ever disruption on Kent's highways network as the result of implementing Operation Stack, which was in place for 32 days. We welcomed the commitment from the Government in its 2015 Autumn Statement to pledge money towards a solution. We were less welcoming when the proposed solution proved to be a huge lorry park, bigger than Disneyland, at the foot of the Kent Downs AONB. We maintain that a single large lorry park is the wrong solution to the wrong problem. We were invited to give evidence to the Transport Select Committee on this matter, and we were gratified that its conclusions, published in summer 2016, largely mirrored ours: the case for a single major lorry park to relieve Kent's roads in the event of disruption to Channel crossings remains unproven. However, early in 2017, Highways England announced its preferred option, a site north of the M2 and west of Stanford near J11 of the M20. We still maintain that better fleet management and communications could allow HGVs to be held, when necessary, in dispersed truck stops across the highways network, and called forward in a timely manner for available spaces on crossings. This would remove the desire for drivers of HGVs to rush to be near the front of a physical queue, and would in addition hugely improve driver welfare when there are disruptions to the Channel crossings. Dispersed truck stops would also have the benefit of addressing the constant problem of anti-social 'fly parking' of HGVs which blights so many local areas.

Aviation

Expansion of Heathrow Airport remains the Government's preferred option, but recent legal rulings which require the Government to speed up its progress towards achieving legally binding air quality improvement targets may become a factor of increasing importance. Meanwhile, Gatwick Airport continues to press its case for additional runway capacity. We continue to argue that better use could be made of existing capacity.

Communications Infrastructure

We were pleased that the two separate planning applications for communications masts, each over 300m tall, were turned down by Dover District Council on the grounds of harm to the landscape.

Air Quality

The impact of major development, and concomitant increase in road-based traffic, on other areas already suffering from poor air quality is becoming increasingly important in planning decisions. This is particularly the case in the light of recent court judgements requiring UK Government to meet its legal requirements with regard to improving air quality. The Pond Farm decision noted above is an important precedent.

Water

We have continued our engagement with the consultation processes for the water supply companies' Water Resource Management Plans. The south east remains an area of severe water stress and at the time of writing, after a very dry winter, summer droughts may be a real possibility. We maintain our campaign position that serious measures must be taken to manage the consequences of increased water consumption as the result of a rising population. We argue for efficiency in use, less leakage, more water recycling and transfers between water company areas to create a functioning water grid.

**TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2017**

Lobbying

We met with many influential people including:

Kt Hon Damian Green MP

Rt Hon Greg Clark MP

Tracey Crouch MP

Helen Grant MP

Adam Holloway MP

Tom Tugendhat MP

Helen Whately MP

Cllr Paul Carter and other KCC members

District Committees and Specialist Group activity

Our district committees have continued with their core activities of reviewing and commenting on relevant planning applications, either suggesting how the proposals could be improved or objecting to them because of the effect they would have on the environment. Our Planners have assisted the committees in submitting representations on Local Plan documents (see above for details of the year's activity) and, with the joint input of specialist planning skills and local knowledge of the district committee members, we were able to submit very effective responses to consultations, and engage positively in the development of local plans. The committees continue to engage positively with their council officers and councillors.

Media and publicity

We remain a significant contributor to broadcast and print media, both within Kent and beyond. We have provided interviews for local radio and TV channels on subjects such as planning for housing, aviation, and major infrastructure projects such as the Operation Stack lorry park and the Lower Thames Crossing consultations. We also received widespread national and local media interest over the quashing of planning permission at Western Heights and Farthingloe. We have also continued to grow our presence on social media (Facebook and Twitter). We are particularly keen to engage with younger potential members and supporters and we are extending our 'reach' through these media considerably.

We have continued to increase the strength of our links with many organisations, in particular Kent Wildlife Trust, the Kent Association of Local Councils, Hadlow College, the Kent Downs and High Weald AONB units, WKPS and the Kent Federation of Amenity Societies as well as continuing to strengthen our links with other CPRE County Branches around the country, and in particular with Sussex and Surrey branches over matters such as aviation (especially on the potential expansion of Gatwick). We have also addressed numerous groups on various aspects of the organisation's work, including Parish Councils, many of which are CPRE members and local amenity and other environmental organisations.

Outings

Margaret Micklewright has continued with her excellent programme of visits and outings, enjoyed by many of our members.

Plans for future periods

We will continue to manage and use our resources to campaign for the Kent countryside: promoting its outstanding beauty, ensuring that it is properly considered and given adequate weight in planning decisions, and celebrating the achievement of keeping Kent beautiful.

We will continue to work with other CPRE branches and national office to provide the evidence to Government of how planning works in reality; to press for existing planned permissions to be built rather than land banked or renegotiated; for a more workable approach to housing numbers that takes proper account of constraints and does not constantly undermine Local Authorities plan making process.

We will continue to work with as many local groups and parishes as our resources allow to help them engage with challenging planning situations, and we will continue to make representations on local plans, although to balance competing demands this will not be on all stages of every plan.

**TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2017**

We will continue to focus our work and decide priorities with a campaign plan and update our approach to campaign planning and review our organisation of committees and working groups to reflect the needs of the organisation and availability of resources. We will continue to use the organisation structure to enable staff and volunteers to work together as a CPRE Kent team, whether focused on particular applications in a local authority district, or addressing Kent wide topics.

Communications will continue to be an essential part of our campaigning - our twice yearly newsletter will continue, and we also ensure our website is up to date as we also engage through Twitter and Facebook. We will aim to do more video and blogs when we have the resources, skills and appetite to do so. We will maintain our strong and 'available' relationship with local media, especially with Kent radio and TV. The wide range of situations and issues considered by our district committees means that our part time communications staff team member will always have a lot to do, and the Branch Director will quite often have reason to be on TV or radio.

Our future depends on good organisation, teamwork and the good management of our financial resources - both day to day financial governance by our Honorary Treasurer and our Office Manager, and on good oversight by trustees, and our investment committee.

Our future also depends on our supporters - our members, donors, volunteers and those who follow us on social media. We will aim to engage with all our supporter audiences in the right way into the future to ensure support for what we do and the resources to do it.

Investment policy and review

The majority of the Charity's investments are professionally managed by Smith and Williamson. The Finance and Investment Subcommittee sets certain benchmarks to be achieved by the investment managers to obtain a mix of income and capital growth in order to enable the Charity to achieve a level of income which will enable it to achieve a balanced budget in respect of its core activities and to obtain over a given period capital growth so that the current use value of the investment assets of the Charity are maintained for future generations.

We also have property which at 31st March 2016 was represented by Queen's Head House and its tenanted flat, and a rental property in Maidstone. We are also invested in the Charities Property Fund managed by Cordea Savills. Our property holdings are about 15% of our total investment and we believe that this diversification provides a source of secure income and good capital growth.

Financial review

After taking into account unrealised gains from the increase in the value of our investment portfolio, the net income for the year was £407,567 (Deficit £164,256 2015/16). For more details see page 11. Although the designated fund has appreciated considerably in value in the year the trustees are also conscious of the fluctuations in the stock market. The trustees recognise that in order to safeguard the long term future of the charity all its activities are planned to achieve campaigning objectives without depleting the current use value of the charity's designated fund.

Membership

Kent remains the largest branch with 2,512 members as at 31 March 2017, although recruiting new members remains challenging. A tireless programme of attendance at events and country shows, spearheaded by Vicky Ellis and a strong team of volunteers, has been effectively raising the Branch's profile and encouraging new members to join. New volunteers are always welcome to help staff the CPRE Kent stand at such events.

Reserves policy

In view of the volatile stock markets the trustees have deemed it prudent at the present time to hold any additional funds such as from legacies in cash although it is the long term aim to maintain a level of liquid reserves which will not exceed one year's budgeted expenditure.

The Trustees will review the reserves policy annually, at the time when the budget is approved. Should it prove necessary to supplement the reserves (to reflect heightened levels of activity, for example) this will be done by calling down further funds from the expendable endowment.

Risk management

A risk management strategy has been prepared and is under regular review by the Board. It highlights the major areas of risk to which the Charity is exposed and identifies the appropriate control in the authorisation of expenditure and to ensure the health and safety of staff, volunteers and visitors. The strategy is updated at least annually in consultation with the full Board.

**DIRECTORS' REPORT
FOR THE YEAR ENDED 31 MARCH 2017**

Statement of Trustees' responsibilities

The trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and regulations. Company law requires the Trustees to prepare financial statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards) and applicable law.

Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of its net incoming/outgoing resources for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in FRS 102 and the Charities SORP (SORP 2015)
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue to operate.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure the financial statements comply with the Companies Act 2006 and the provisions of the charitable company's constitution. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions. The following statements have been affirmed by each of the Trustees of the charitable company:

- so far as each Trustee is aware, there is no relevant audit information, (that is, information needed by the company's auditors in connection with preparing their report) of which the company's auditors are unaware; and
- each Trustee has taken all the steps that he/she ought to have taken as a Trustee in order to make himself/herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Committees

The Charity has a structure of sub-committees to organise and oversee the work of the charity. This structure includes a management committee which follows up the board decisions with the Branch Director, a chairmen's committee of all parts of the organisation and a finance and investment committee which oversees the financial management position of the charity with the Treasurer and Branch Director.

Employees and Volunteers

Our staff and volunteers continue to build CPRE's long-established reputation for professionalism, expertise and quality. They are the reason for many of our campaigning successes.

CPRE's volunteers are also highly valued and the Board is grateful for the huge amount of work they do. The work of volunteers is supported by advice from the branch office.

**TRUSTEES REPORT
FOR THE YEAR ENDED 31ST MARCH 2017**

Fundraising Approach and Performance

CPRE Kent undertakes fundraising activity by inviting donations through our website, Facebook and at events. We invite people to become members of CPRE Kent through our website, social media and at events. We take stands at activities in Kent throughout the year including the Kent County Show, ploughing matches and other rural and farming events.

Preparation for these events includes careful briefing to those involved on the day so that all contacts with potential members are polite, engaging and interesting and no-one feels pressurised to support our work and all data protection rules are adhered to and all involved feel well briefed. Through our website and printed newsletters we also invite people to consider CPRE Kent when making their wills.

CPRE Kent also benefits from the work of National CPRE which undertakes fundraising activity via direct mail in line with the Fundraising Code of Practice set by the Fundraising Regulator. Our Fundraising Promise is set nationally and is available through a link to our national website.

Remuneration Policy

The pay of all the employees is determined by the Board of Trustees on recommendation of the staffing committee. Salaries are based on pay scales set annually by CPRE's national office.

The same benefits, including pensions, and terms and conditions apply to the principal officers as all other staff.

Auditor

MHA MacIntyre Hudson were re-appointed as the charitable company's auditor during the year and have expressed their willingness to continue in that capacity.

Approved by the Trustees on 28th July 2017

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M J Moore FCA - Company Secretary

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS
OF THE KENT BRANCH OF THE CAMPAIGN TO PROTECT RURAL ENGLAND**

We have audited the financial statements of The Kent Branch of the Campaign to Protect Rural England for the year ended 31 March 2017 which comprise the Statement of Financial Activities, the Balance Sheet, the statement of cash flows and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditor

As explained more fully in the Trustees' Responsibilities Statement set out on page 7, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at www.frc.org.uk/auditscopeukprivate.

Opinion on financial statements

In our opinion the financial statements:

- * give a true and fair view of the state of the charitable company's affairs as at 31 March 2017, and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- * have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- * have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Trustees' Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS
OF THE KENT BRANCH OF THE CAMPAIGN TO PROTECT RURAL ENGLAND**

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- * adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- * the financial statements are not in agreement with the accounting records and returns; or
- * certain disclosures of trustees' remuneration specified by law are not made; or
- * we have not received all the information and explanations we require for our audit.

**Duncan Cochrane-Dyet FCA
Senior Statutory Auditor
For and on behalf of
MHA MacIntyre Hudson
Chartered Accountants and
Statutory Auditors
71 New Dover Road
Canterbury
Kent
CT1 1DZ**

Date:

**STATEMENT OF FINANCIAL ACTIVITIES (Incorporating an Income and Expenditure Account)
FOR THE YEAR ENDED 31 MARCH 2017**

	Notes	Unrestricted Funds £	Designated Fund £	Total 2017 £	Total 2016 £
Incoming Resources					
Incoming resources from generating funds:					
Donations and Legacies	2	62,052	-	62,052	245,655
Other trading activities		10,014	-	10,014	10,130
Investment income	3	709	168,201	168,910	175,818
Other Income	20	88,000	-	88,000	-
Total Incoming Resources		160,775	168,201	328,976	431,603
Resources Expended					
Raising funds	4	3,772	20,867	24,639	21,217
Charitable activities	5	295,230	1,100	296,330	293,698
Other expenditure					
Impairment of freehold land and buildings		-	-	-	82,102
Total Expenditure		299,002	21,967	320,969	397,017
Net (outgoing)/incoming resources		(138,227)	146,234	8,007	34,586
Unrealised gain/(loss) on investment assets		-	247,580	247,580	(333,200)
Realised gain on investment assets		-	151,980	151,980	134,358
Net income/(expenditure)		(138,227)	545,794	407,567	(164,256)
Transfers between funds		197,334	(197,334)	-	-
Net movement in funds		59,107	348,460	407,567	(164,256)
Reconciliation of funds					
Total funds brought forward		201,553	5,164,793	5,366,346	5,530,602
Total funds carried forward	16	260,660	5,513,253	5,773,913	5,366,346

All of the charity's activities are continuing.

There are no gains and losses other than those shown above.

The surplus/(deficit) for the year for Companies Act purposes comprises the net incoming resources for the year plus realised gains or losses on investments and was £159,987 (2016 gain - £251,046).

**BALANCE SHEET
AS AT 31 MARCH 2017**

	Notes	£	2017 £	£	Restated 2016 £
Fixed Assets					
Tangible assets	11		214,975		208,359
Investments: Listed	12	4,739,286		4,359,725	
Freehold Property	13	<u>406,229</u>	<u>5,145,515</u>	<u>406,229</u>	<u>4,765,954</u>
<i>Total fixed assets</i>			<u>5,360,490</u>		<u>4,974,313</u>
Current Assets					
Stocks		868		627	
Debtors	14	68,531		200,026	
Cash at bank and in hand		<u>361,048</u>		<u>220,976</u>	
<i>Total current assets</i>		430,447		421,629	
Liabilities					
Creditors: Amounts falling due within one year	15	<u>(17,024)</u>		<u>(34,214)</u>	
<i>Net current assets</i>			<u>413,423</u>		<u>387,415</u>
Total net assets			<u>5,773,913</u>		<u>5,361,728</u>
The Funds of the Charity					
Designated Fund (includes revaluation reserve of £ 660,781(2016 £413,201))	16		5,513,253		5,160,175
Unrestricted funds			<u>260,660</u>		<u>201,553</u>
Total charity funds	17		<u>5,773,913</u>		<u>5,361,728</u>

These financial statements were approved and authorised for issue by the Board of Trustees on and signed on their behalf by:

.....
M J Moore FCA (Honorary Treasurer)

.....
C E C Drury MA (Cantab) PMD (Harvard) (Chairman)

Company Registration No. 4335730

**STATEMENT OF CASH FLOW
FOR THE YEAR ENDED 31 MARCH 2017**

	2017	2016
	£	£
Net cash provided by operating activities (see Note 21)	<u>(43,271)</u>	<u>(208,482)</u>
Cash flows from investing activities		
Dividends, interest and rents from investments	167,552	174,417
Bank and other interest received	1,358	1,401
Purchase of property, plant and equipment	(5,566)	(3,535)
Sale of investments	1,766,329	716,180
Purchase of investments	<u>(1,746,330)</u>	<u>(717,611)</u>
Net cash inflow used in investing activities	<u>183,343</u>	<u>170,852</u>
Increase/(Decrease) in cash	<u>140,072</u>	<u>(37,630)</u>
<i>Change in cash and cash equivalents in the year</i>		
Cash and cash equivalents at 1 April 2016	<u>220,976</u>	<u>258,606</u>
<i>Cash and cash equivalents at 31 March 2017</i>	<u>361,048</u>	<u>220,976</u>
Analysis of cash and cash equivalents		
Cash at hand and in bank	<u>361,048</u>	<u>220,976</u>
Total cash and cash equivalents	<u>361,048</u>	<u>220,976</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017**

1 Accounting policies

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

a) General information and basis of preparation

The Charity constitutes a public benefit entity as defined by FRS 102. The financial statements are prepared under the historical cost convention modified to include fixed asset investments at fair value.

The financial statements have been prepared in accordance with the Statement of recommended Practice for Charities (SORP 2015), The Companies Act 2006, and applicable accounting standards (FRS 102).

There are no material uncertainties related to events or conditions which would cast doubt on the Charity's ability to continue as a going concern.

The financial statements are prepared in sterling which is the functional currency of the charity and rounded to the nearest £.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

b) Incoming resources

Donations are recognised as incoming resources when receivable, except insofar as they are incapable of financial measurement. Subscriptions relates to the amounts received from the CPRE National Office. These are included on a cash basis as members pay at different rates and cover a year from the date the member pays the subscription. The Charity's trustees' opinion is that the cost of calculating any accrual or deferred income outweighs any benefit, and the amount would not be material.

Legacy income is recognised at the earlier of the charity being notified when estate accounts are settled and there is notification of a distribution, or when the legacy is received. On occasion legacies will be notified to the Charity although it is not possible to measure the amount expected to be distributed. On these occasions, the legacy is treated as a contingent asset and disclosed.

Income from trading activities includes income earned from fundraising events and trading activities to raise funds for the Charity. Income is received in exchange for supplying goods and services in order to raise funds and is recognised when entitlement has occurred.

Investment income is earned through holding assets for investment purposes such as shares and property. It includes dividends, interest and rent. It is included when the amount can be measured reliably. Interest income is recognised using the effective interest method and dividend and rent income is recognised as the Charity's right to receive payment is established.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017**

1 Accounting policies (contd)**c) Resources expended**

Resources are recognised in the period in which they are incurred. Resources expended include attributable VAT which cannot be recovered.

Costs of operating funds comprise the costs associated with attracting voluntary income and the costs of the Lottery Club prizes and investment management fees.

Charitable expenditure comprises those costs incurred by the Charity in the delivery of its activities. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Support costs include the costs of human resources, IT, finance and governance. Overhead costs include depreciation and office costs.

Governance costs include those costs associated with meeting the constitutional and statutory requirements of the Charity and include audit fees and estimated costs linked to the strategic management of the Charity.

d) Tangible fixed assets and depreciation

Tangible fixed assets other than freehold land are stated at cost less depreciation. Depreciation provided are rates calculated to write off the cost less estimated residual value of each asset over its expended useful life, as follows:

Freehold buildings	2% on cost
Integral building features	10% on cost
Fixtures and fittings	20% on cost
Computer & office equipment	25% on cost

e) Pensions

The pension costs charged in the financial statements represent the contributions payable by the charity to employees' personal pension schemes,

f) Company Status

The Charity is a company limited by guarantee. In the event of the Charity being wound up the liability in respect of the guarantee is limited to £1 per member of the Charity. The address of the registered office is given in the Charity information on the Legal & Administrative Information page of these financial statements.

g) Fund Accounting

General funds are unrestricted funds which are available for use at the discretion of the trustees in furtherance of the general objectives of the Charity and which have not been designated for other purposes.

The Designated Fund, which is treated like an expendable endowment fund, was created by the Trustees. Investment income arising on the endowment fund and investment management charges are initially allocated to the designated fund, but a transfer is made to the unrestricted fund which represents this income and expenses plus £50,000 per year. Any capital gains or losses arising on the investments form part of the fund.

h) Investments

Investments are stated at market value at the balance sheet date. The statement of financial activities includes the net gains and losses arising on revaluations and disposals throughout the year.

i) Stock

Stock is valued at the lower of cost and net realisable value.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017**
1 Accounting policies(contd)
j) Key judgements and sources of estimation uncertainty

Investment properties are professionally valued based on comparable sales within the local area. This uses the sales on similar local rental properties but there is an inevitable degree of judgement involved in that the investment properties are unique.

Other debtors includes an estimate for a legacy receivable amounting to £3,400 (2016 £42,000) where probate has been filed, however the Charity have not yet been notified of the final distribution. This amount is an estimate which considers the remaining balance due from realised assets.

2 Income from donations and legacies

	2017	2016
	£	£
Membership subscriptions	44,678	47,808
Donations	4,474	9,721
Legacies	8,400	182,860
Lottery	4,500	5,266
	<u>62,052</u>	<u>245,655</u>

3 Investment income	Unrestricted	Designated	2017	2016
	Funds			
	£	£	£	£
Dividends receivable	-	106,822	106,822	118,208
Interest on fixed interest bonds	-	43,606	43,606	36,987
Bank Interest receivable	709	649	1,358	1,401
Rental income	-	17,124	17,124	19,222
	<u>709</u>	<u>168,201</u>	<u>168,910</u>	<u>175,818</u>

4 Raising funds	Unrestricted	Designated	2017	2016
	Funds			
	£	£	£	£
Investment management fees	-	16,802	16,802	13,296
Purchases for resale and fund raising costs	1,917	-	1,917	1,194
Lottery Club prizes	1,855	-	1,885	1,977
Property rental costs	-	4,065	4,065	4,750
	<u>3,772</u>	<u>20,867</u>	<u>24,669</u>	<u>21,217</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017**

5 Charitable activities	Unrestricted Funds £	Designated Fund £	2017 £	2016 £
Costs directly allocated to campaigning activities				
Staff costs	111,001	-	111,001	113,893
Campaigning/Legal and Professional	68,654	-	68,654	52,376
Staff Travelling	1,644	-	1,644	2,451
Contribution to campaigns	1,000	-	1,000	600
Publicity and printing	14	-	14	145
Events	7,926	-	7,926	6,123
Newsletters	8,448	-	8,448	8,539
Volunteering activities	721	-	721	2,030
Subscriptions publications and Donations	2,251	-	2,251	2,907
Support costs allocated to campaigning activities				
General office staff	47,681	-	47,681	46,409
Premises costs	8,979	-	8,979	9,505
Staff recruitment and support costs	4,351	-	4,351	2,860
Staff training	894	-	894	5,245
Liability insurance	1,941	-	1,941	2,150
Printing, postage and stationery	3,696	-	3,696	5,619
Telephone	1,566	-	1,566	1,574
Computer, website and equipment maintenance	4,326	-	4,326	7,831
Legal and professional	1,745	-	1,745	1,448
Depreciation	2,468	1,100	3,568	5,085
Sundry expenses	1,875	-	1,875	2,439
Governance cost	14,049	-	14,049	14,469
	<u>295,230</u>	<u>1,100</u>	<u>296,330</u>	<u>293,698</u>
6 Governance costs			2017 £	2016 £
Staff costs			7,164	7,033
Auditors' remuneration (note 10)			4,840	4,740
Other costs			<u>2,045</u>	<u>2,696</u>
			<u>14,049</u>	<u>14,469</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017**
7 Employee information

The average monthly number of employees during the year, calculated on the basis of full time equivalents, was:

	2017 Number	2017 FTE	2016 Number	2016 FTE
Charitable activities	5	4	5	4

Employment costs

	2017 £	2016 £
Wages and salaries	145,379	147,072
Social security costs	11,470	12,695
Other pension costs	8,997	7,568
	165,846	167,335

There was one employee whose annual emoluments were £60,000 or more (2016: one).

8 Pension costs

The company operates a contributory pension scheme. This is a defined contribution scheme and contributions are charged in the statement of financial activities as they accrue. The charge for the year was £8,997 (2016 - £7,568).

9 Trustees' and key management personnel remuneration and expenses

None of the Trustees (or any persons connected with them) received any remuneration during the year, but 7 (2016 - 7) of them were reimbursed a total of £1,870 (2016 - £2,696) travelling and other incidental expenses.

The total amount of remuneration (including employee benefits in kind) received by key management personnel is £60,505 (2016: £59,642), The Charity considers its key management personnel to comprise the Trustees and the Branch Director.

10 Auditor's Remuneration

The amounts payable to MHA MacIntyre Hudson was:

	2017 £	2016 £
Audit of the financial statements	4,840	4,740
Taxation and accountancy	643	450
Payroll	2,268	997
	7,751	6,187

Audit fees are shown within governance costs (note 6), non-audit services are shown as legal and professional costs and staff support costs within expenditure on charitable activities (note 5).

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017**

11 Tangible fixed assets	Freehold land & buildings £	Computers & office equipment £	Fixtures, & fittings £	Total £
Cost or valuation				
As at 1 April 2015 (restated)	209,618	26,889	18,298	254,805
Additions	-	5,566	-	5,566
Disposals	-	-	-	-
As at 31 March 2016	209,618	32,455	18,298	260,371
Depreciation				
As at 1 April 2015	-	24,722	17,106	41,828
Disposals	-	-	-	-
Charge for the year	1,100	2,114	354	3,568
As at 31 March 2016	1,100	26,836	17,460	45,396
Net book values				
As at 31 March 2017	208,518	5,619	838	214,975
As at 31 March 2016	209,618	2,167	1,192	212,977

At 31 March 2017 the net book value of freehold land and buildings contained £154,618 of land at cost which is not depreciated.

The offices and land at Queen's Head House were revalued in the year ending 31st March 2016 resulting in an impairment adjustment, consequently the freehold property is carried forward at the revised valuation of £205,000.

12 Fixed asset investments	2017 £	2016 £
Market value at 1 April 2016	4,359,725	4,572,136
Acquisitions at cost	1,746,330	717,611
Disposal proceeds	(1,766,329)	(716,180)
Change in value in the year:		
Realised	151,980	134,358
Unrealised	247,580	(348,200)
Market value at 31 March 2016	4,739,286	4,359,725
Historical cost at 31 March 2016	4,069,410	3,937,477
Investments are represented by:		
Fixed interest bonds	822,629	941,090
Multi asset funds	3,916,657	3,418,635
	4,739,286	4,359,725

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017**
12 Fixed asset investments (contd)

Included within the above are the following investments which represent more than 5% of total market value:

<u>Holding</u>		2017	2016
		£	£
133,239.52 Units	Artemis Fund Managers Income Inc	322,799	603,925
147,500 units	Aviva Equity Income	241,644	-
244,523 units	Aviva MS Target Inc	238,420	-
231,012.91 units	Charities Property Fund	277,516	275,806
122,962.52 units	Invesco Fund Managers IP Income z Inc	355,608	643,332
460,757.50 units	Legal & General Dynamic Bond Trust R Inc	-	297,880
67,140 units	Liontrust special situations	247,468	-
239,502.78 units	M & G Securities Ltd Optimal Income	-	342,178
810,095.74 units	Schroder Unit Trusts Income Maximiser Z Inc	-	392,572
		<u> </u>	<u> </u>

13 Freehold Investment Property

	2017	2016
	£	£
7 Grant Drive Maidstone	231,229	231,229
Flat 1 Queen's Head House Charing	175,000	175,000
	<u> </u>	<u> </u>
	406,229	406,229
	<u> </u>	<u> </u>

7 Grant Drive was purchased in 2014 and the trustees consider that the market value at the year end would have been materially the same as cost.

Flat 1 Queen's Head House was revalued as at 31st March 2016 by Katie Hurley MRICS FAAV of Lambert and Foster.

14 Debtors

	2017	2016
	£	£
Tax repayable	4,249	6,769
Other debtors	57,061	182,860
Prepayments and accrued income	7,221	10,397
	<u> </u>	<u> </u>
	68,531	200,026
	<u> </u>	<u> </u>

15 Creditors: amounts falling due within one year

	2017	2016
	£	£
Trade creditors	1,025	12,107
Other creditors	1,049	9,631
Accruals	14,290	7,163
Taxation	-	3,911
Deferred income	660	1,402
	<u> </u>	<u> </u>
	17,024	34,214
	<u> </u>	<u> </u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017**

23 Comparative statement of Financial Activities (2016)

(Adjusted for prior year adjustment note 22)

	Unrestricted Funds £	Designated Fund £	Total 2016 £
Incoming Resources			
Incoming resources from generating funds:			
Donations and Legacies	245,655	-	245,655
Other trading activities	10,130	-	10,130
Investment income	-	175,818	175,818
	<hr/>	<hr/>	<hr/>
Total Incoming Resources	255,785	175,818	431,603
	<hr/>	<hr/>	<hr/>
Resources Expended			
Raising funds	3,171	18,046	21,217
Charitable activities	289,798	3,900	293,698
Other expenditure:			
Impairment of freehold land and buildings		82,102	82,102
	<hr/>	<hr/>	<hr/>
Total Expenditure	292,969	104,048	397,017
	<hr/>	<hr/>	<hr/>
Net incoming/(outgoing) resources	(37,184)	71,770	34,586
Unrealised gain/(loss) on investment		(333,200)	(333,200)
Realised gain /(loss) on investment assets	-	134,358	134,358
	<hr/>	<hr/>	<hr/>
Net income/(expenditure)	(37,184)	(127,072)	(164,256)
Transfer between funds	203,872	(203,872)	-
	<hr/>	<hr/>	<hr/>
Net movement of funds	166,688	(330,944)	(164,256)
	<hr/>	<hr/>	<hr/>
Reconciliation of funds			
Total funds brought forward	34,865	5,495,737	5,530,602
	<hr/>	<hr/>	<hr/>
Total funds carried forward	201,553	5,164,793	5,366,346
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>